

# Summary of Victorian Government Offer

## *Job Security*

8 years of protections (1 January 2018 – 31 December 2025) through two EBAs (EBA1 and EBA2):

- No changes to services until 1 January 2019
- Staff remain DHHS employees via secondment to non-government organisations from 1 January 2019 until 1 January 2021 (two years)

## *Wages*

29% increase over 8 years (17% in EBA1 and 12% in EBA2) made up of:

- 3% increase upon member endorsement of offer
- 3.5% increase on 1 July 2018, 2019, 2020, 2021 (14% in total)
- 3% increase on 1 July 2022, 2023, 2024, 2025

## *Redundancy Packages*

Redundancy packages will be available prior to the start of secondment period (1 January 2019). The number of redundancy packages will be capped at a number equivalent to 15% of the ongoing DHHS workforce (approximately, 550).

## *Sign-On Bonus*

\$2,000 sign on payment (pro-rata for part-time and regular and systematic casuals), made up of:

- \$1,000 upon member endorsement of offer
- \$1,000 upon member approval of EBA1

## *Transfer Payments*

\$15,000 for employees who transfer to non-government service providers (pro-rata for part-time and regular and systematic casuals), paid as:

- \$7,500 when seconded (from 1 Jan 2019)
- \$7,500 at point of transfer (1 January 2021)

## *Conditions: Leave and Superannuation*

Terms and conditions protected through two EBAs. This includes things like rostering provisions, allowances, leave, 1:1 house supervisor model, qualification frameworks, advanced classification structure, etc.

Additionally, all accrued leave (annual, personal, long service leave, etc.) will be transferred and all prior service will be recognised. Employees who are members of defined benefits superannuation schemes will have their membership of these schemes maintained.

'One out, one in'

During the life of EBA1 (1 July 2018 – 30 June 2022) employees who cease employment will be replaced by new employees on the same terms.



**Martin Foley MP**

Minister for Housing, Disability and Ageing  
Minister for Mental Health  
Minister for Equality  
Minister for Creative Industries

GPO Box 4057  
Melbourne Victoria 3001  
Telephone: +61 3 9096 7500  
[www.dhhs.vic.gov.au](http://www.dhhs.vic.gov.au)  
DX: 210081

Lloyd Williams  
State Secretary  
Health and Community Services Union  
7 Grattan Street  
CARLTON VIC 3053

Dear Mr Williams

I write in relation our recent months of intensive discussions regarding the future of Victoria's public disability services. The Andrews Labor Government has consistently committed to a National Disability Insurance Scheme (NDIS) that delivers high quality services and is underpinned by the fair treatment of Victoria's valued disability workforce.

We've made this commitment because ultimately, we believe that the NDIS is an opportunity to deliver better outcomes for people with disabilities.

I accept that you and your members continue to oppose the transfer of public disability services to the non-government sector. Notwithstanding this opposition I wish to advise that the Victorian Government has identified a number of suitable non-government organisations through its Expression of Interest (EOI) process. These organisations will shortly be invited to formally tender for DHHS services.

I recognise that transferring to these organisations will represent a significant and major change for DHHS employees.

To deliver the NDIS in a way that benefits our highly skilled workforce and people with disabilities, the attached framework agreement has been designed to protect the ongoing employment standards of public sector disability workers.

This framework represents a generous and fair final offer from the Victorian Government covering a range of workforce protections. Subject to the endorsement of this framework by HACSU members, I propose that discussions with an agreed independent facilitator recommence to finalise a formal Memorandum of Understanding (MOU) to give effect to the commitments in this framework and finalise a replacement four-year Disability Service Enterprise Agreement.

Yours sincerely

**Martin Foley MP**  
Minister for Housing, Disability and Ageing

18/12/2017

FINAL 18/12/17 7.00PM

**Without prejudice offer – 18 December 2017**

The terms outlined in this document apply to in scope DHHs employees who are subject to transfer. The Victorian Government will remain the service provider for Disability Forensic Assessment and Treatment Services (DFATS), Disability Justice Services, SIL services for the residents of the former Sandhurst Centre and any other in scope services unable to be delivered through the partnership model. The parties will commit to finalising an MOU by the end of January 2018, and the DSEA1 by end February 2018.

**Principles of offer:**

- The government is committed to protecting wages, terms and conditions for a period of 8 years through the application of two EBAs whilst supporting the successful transition to the NDIS.
- The government will achieve this protection through contractual and legally enforceable arrangements to the extent permitted by law and as agreed by the parties.

	<p><b>8 years of protections from 1 January 2018 to 31 December 2025</b></p> <ul style="list-style-type: none"> <li>• 3% administrative payment from acceptance of the offer of 18 December 2017</li> <li>• 3.5% per annum wage increases during a new four year DSEA, which would commence from 1 July 2018</li> <li>• Guaranteed wage increases of 3% per annum following the nominal expiry of the DSEA i.e. from 1 July 2022, until 31 December 2025</li> </ul> <p>Two years from 1 January 2019 until 31 December 2020 (noting staggered commencement of secondment)</p> <p>Five years (1 January 2021 until 31 December 2025)</p>
<p><b>Wage growth</b></p> <p><b>Non-secondment period, with continued provider financial support</b></p> <p><b>'One out, one in'</b></p>	<p>During the secondment period new employees will be employed under the DSEA. From transfer to nominal expiry date of DSEA1 (30 June 2022) new employees will be employed on the same terms as the DSEA (noting that new employees will not be eligible for an Incentive payment or redundancy)</p> <p>New four year DSEA agreed with Government to commence from 1 July 2018, largely rolled over, except for family violence leave, secondment facilitation clause and other changes agreed by the parties in relation to the matters listed below (including maintenance of the house supervisor model). An agreed facilitator will oversee further negotiations in relation to the following matters to be concluded by the end of February 2018.</p> <ul style="list-style-type: none"> <li>• Family violence leave (claim 9)</li> <li>• OHS (claims 23, 24)</li> <li>• Long service leave changes (claim 10)</li> <li>• Workplace violence (claims 25, 26, 27, 28)</li> <li>• Incremental progression for casuals (claim 12)</li> <li>• Consultation and change provisions (claims 29, 30, 31)</li> <li>• Casual conversion (claim 13)</li> <li>• Contracted services (claims 32, 33)</li> <li>• Forensic skills recognition allowance (claim 16)</li> <li>• Schedule C – Disciplinary redraft (claim 34)</li> <li>• Education and professional development (claim 19)</li> <li>• General redrafting (claim 41)</li> <li>• Workload (claims 20, 21, 22)</li> <li>• Colanda closure agreement (claim 43)</li> </ul>
<p><b>DSEA1</b></p>	<p>\$2,000 (pro-rata for part-time employees and eligible casuals i.e. regular and systematic) comprised of:</p> <ul style="list-style-type: none"> <li>• \$1,000 upon acceptance of the offer of 18 December 2017</li> <li>• \$1,000 upon employees voting to accept DSEA1</li> </ul>
<p><b>DSEA sign-on payment</b></p>	<p>Maximum \$15,000 across two payments for ongoing employees (pro-rata for part-time employees and eligible casuals i.e. regular and systematic), with 50% payable at point of secondment and balance upon transfer of business.</p> <p>\$7,500 in 2019</p> <p>\$7,500 in 2021</p>
<p><b>Transfer incentive payments</b></p>	<p>One round, [up to 15% of ongoing workforce] before secondment period commences</p> <p>The Government will facilitate bargaining with providers, including:</p> <ul style="list-style-type: none"> <li>• good faith bargaining process, facilitated by the establishment of a Committee comprising providers, Government and HACSU;</li> <li>• voluntary conciliation mechanism if providers/HACSU cannot agree to changes required to be NDIS rules compliant e.g. quality and care, safeguards, reporting, pre-employment screening etc; and</li> <li>• DSEA1 to contain the bargaining process and objectives that will underpin the process (i.e. recognising the public interest in the workforce terms and conditions).</li> </ul>
<p><b>VDPs</b></p> <p><b>DSEA2 bargaining process</b></p>	<p>Wage increases to be included in DSEA1 beyond its nominal expiry date. Contracts between the Victorian Government and providers will stipulate that DSEA 1 will be fully implemented. DSEA1 includes a clause stating it shall remain in force until replaced by a new agreement. Providers will be further required through contracts to maintain wages and conditions for the entirety of the subsidy period.</p>
<p><b>DSEA 1 protection beyond the secondment period and wages protection beyond DSEA 1</b></p>	<p>All transferred staff will have all their leave entitlements (personal leave, annual leave, long service leave and sub-leave) protected and recognised by providers. Current superannuation arrangements will also be maintained.</p> <p>All transferred staff will have all prior service recognised for all purposes.</p>
<p><b>Recognition of entitlements</b></p>	<p>The Victorian Government recognises that the partnership model represents a significant change and will support this change through a number of initiatives to be finalised in the MOU.</p>
<p><b>Change Management</b></p>	

Calendar year	2018	2019	2020	2021	2022	2023	2024	2025
Service delivery/years	Services continue to be delivered by DHHS	Secondment commences	Secondment period	Subsidy period	Subsidy period	Subsidy period	Subsidy period	Subsidy period until 31 December 2025
Employment protection	Continued Government employment	Continued Government employment	Continued Government employment	DSEA1 governs termination and performance management	DSEA 1 until replaced by successor agreement	DSEA2	DSEA2	DSEA2
Governing EBA	Current DSEA until 30 June 2018	DSEA 1	DSEA 1	DSEA 1	DSEA 1 nominally expires 30 June 2022, continues to apply until replaced	DSEA2	DSEA2	DSEA2
Wage increases	New DSEA (DSEA1) commences on 1 July 2018				New agreement commences (DSEA2) facilitated by Government			
	3% admin payment from acceptance of the offer of 18 December 2017	3.5% DSEA 1 July 2019 until 30 June 2020	3.5% DSEA 1 July 2020 until 30 June 2021	3.5% DSEA 1 July 2021 until 30 June 2022	3% wage increase via subsidy from 1 July 2022 until 30 June 2023	3% wage increase via subsidy from 1 July 2023 until 30 June 2024	3% wage increase via subsidy from 1 July 2024 until 30 June 2025	3% wage increase via subsidy from 1 July 2025 until 31 December 2025
Other benefits	3.5% new DSEA from 1 July 2018 until 30 June 2019	50% incentive payment		Conditions maintained via subsidy	Conditions maintained via subsidy	Conditions maintained via subsidy	Conditions maintained via subsidy	Conditions maintained via subsidy
	\$2,000 sign on payment (\$1,000 from acceptance of the offer of 18 December 2017 and \$1,000 upon employees voting to accept DSEA1)			50% incentive payment				